

**Opening Statement of U.S. Senator John F. Kerry
Hearing on “Corporate America vs. The Voter”
Senate Rules and Administration Committee**

Mr. Chairman, I appreciate your swift attention to this issue. The Supreme Court has issued a decision inflating the speech rights of large faceless corporations to the same level of hard-working everyday Americans. In doing so, the Court has struck at the very heart of our democracy, a democracy in which corporations already have too much influence.

I have seen this system get more broken over twenty five years of service in the Senate – and as the nominee of my party. The increased influence of money – big money--in our politics is robbing the average citizen of his or her voice in the setting of our nation’s agenda. It distracts from the real business of the Congress and requires extraordinary time commitment from members of Congress who now are prisoners of the perpetual campaign. Worse, it limits access and influence to those who can raise or contribute large sums of money.

Nobody knows this better than Senator Feingold, whose very name is synonymous with campaign finance reform. I appreciate his tireless work to rid our democracy of special interests. I also appreciate Senator Durbin’s efforts to reinvigorate what’s left of our public financing system.

I have testified before this Committee on the influence of special interest money in elections in 1985, after I ran a PAC free Senate race for the US Senate, again in 1987, and again in 1990. I'm doing so again today because two decades later, we have yet to successfully attack the problem. I am here today to call for action – bold action - before the system deteriorates even further as a result of the Supreme Court’s dangerous decision.

Before the Court stepped in, a corporation encouraged employees to contribute to a political action committee or to make individual donations to favorite candidates. But thanks to the Supreme Court, the system has now been tilted inexorably towards those who have the most money. Now a corporation can just budget corporate funds to support or oppose a candidate and then actively campaign all the way up until the polls close on election day.

Our Republican colleagues often complain about activist federal judges. But in this case, this Supreme Court went out of its way to unleash the power of corporations in our politics. Even Ben Ginsberg, a long-time lawyer for Republican conservative causes, has warned of the consequences of this ruling. He says future campaigns are “going to be a wild, wild West.”

Indeed, now all CEO’s have to do is turn over millions of corporate dollars to lobbyists to run media campaigns to help their friends and defeat their opponents in Congress. The sums of money we’re talking about will mean little to the corporations compared to what they might get in return – maybe a special interest bill or blocking a regulation. The loser will be the American public.

And make no mistake about this – the Supreme Court’s ruling also clears the way for the domestic subsidiaries of foreign corporations to spend unlimited amounts of money to influence our elections. While foreign nationals and foreign controlled corporations are barred from contributing to federal and state elections, nothing in the law bars foreign subsidiaries incorporated in the U.S. from doing so. And those subsidiaries answer - not to the American people but to their corporate parents way off in some other country. That means in no uncertain way that a foreign corporation can indeed play in an American election and clever people will not have a hard time covering their trail.

We face two challenges: first, to mediate the impact of the Court’s decision and stop the bleeding through immediate countermeasures and, second, to think boldly about the best way to free our democracy from the dominance of big money.

Mr. Chairman, the reform ideas already circulating are promising - mandating shareholder approval of spending, prohibiting spending by domestic subsidiaries of foreign corporations and government contractors, giving candidates primetime access to the public airwaves at the lowest rates.

We must do those things quickly. But we may also need to think bigger. I think we need a constitutional amendment to make it clear once and for all that corporations do not have the same free speech rights as individuals.

Amending the Constitution is a serious endeavor and some of the sharpest minds in the country are working together right now to construct language for an amendment that would solve the problem and get to the heart of the issue. I’m ready to work with them and with the activists it will take to get an amendment ratified.

Mr. Chairman, there is no bigger step to achieve big change than a constitutional amendment. But big issues of fairness and justice sometimes demand nothing less.

It is time for everyone wants a government that works for people to stop tinkering around the edges of a system that is broken beyond repair. Mr. Chairman, I know that ultimately a Constitutional amendment will have to begin in the Judiciary Committee, but this Committee has an opportunity under your leadership to pass many of the proposals in front of it now that can immediately help ensure that in this election millions upon millions of Americans are not disenfranchised because of the concentration of corporate power, and that is an enormous responsibility to help preserve and protect our democracy itself.